Applications Portfolio Management (APM) Process

Tool Assisted Decisions — **Subjective Business and Technical Decisions**

Step 1 Build and Maintain Inventory → **Step 2** Perform Assessments and Determine Priorities → Transition to Executive Decision Making Processes → **Step 3** Determine Remediation Strategies → **Step 4** Develop Comprehensive Plan, Business Cases, and Funding Requests → Comprehensive Plan, Business Cases, and Funding Requests → Investment Portfolio Management (IPM) and IT Planning Processes

Major Activities

Gather and Update Data

- Perform data changes and validations as they occur
- Collect and validate data for implementation projects transitioning to applications assets
- Note status of assets that have been eliminated, replaced, functionally renovated, or technically modernized

Major Data Elements

- ID and General
  - Name and description
  - Business owners
  - IT owners
  - Operational priorities (DR/BCP; Pandemic)
  - Business processes supported
  - Business objectives enabled and business importance (value/criticality)
  - User information
  - Production Date
- Business/Functional Quality
  - Data access, timeliness, sharability, and accuracy/quality
  - Business processes supported
- Technical Quality
  - Architecture (development environment, language, database, hosting processor, etc.)
  - Agility for change
  - Interoperability with other applications
- Operational Quality
  - Service Levels (reliability, availability, maintainability and security)
  - Supporting infrastructure
  - Warranty Status
  - Internal/External support staffing availability
  - Documentation availability and quality
- Costs- Personnel (Internal/ External), H/W, S/W and Other Costs)
- Risk profile
  - Security
  - DR/BCP
  - Technical soundness
  - Vendor viability
  - Regulatory compliance
  - Business and IT staffing
  - Business support
  - Privacy and confidentiality

Major Activities

Evaluate Performance and Determine Value

- Business
  - Alignment with corporate missions and strategies and business goals and objectives
  - Enablement of government initiatives
  - Facilitate constituent-centric, end-to-end, and more efficient business transaction processing
  - User satisfaction status
  - Data accessibility, quality, and exchangeability
  - Enable policy development and business decision making
  - Same or similar functionality duplicate of other application(s)
- Operations
  - Reliability, availability, and security
  - Maintainability
  - Resiliency
  - Documentation
  - Staffing availability
  - DR/BCP; Pandemic
  - Privacy and confidentiality
  - Vendor supportability
- Technology
  - Architecture alignment
  - Life cycle of underpinning technology
  - Adaptability for change and scalability for volume
  - Extensibility for new technologies
  - Flexibility to accommodate change
- Costs
  - Current and trends
  - Reasonableness with industry standards or other benchmarks
  - Relative to size and complexity of application and value received

Identify Risks and Acceptability

- Continued funding availability
- DR/BCP; Pandemic
- Regulatory compliance
- Security
- Privacy and confidentiality
- Vendor Support
- Staffing availability
- Technical failure
- Business support failure (Functionality or Operations)

Classify Applications

- Business importance (value/criticality) and severity/ urgency of problems - High and High is Priority 1 to Low and Low is Priority 4

Major Activities

Review

- Urgency (time sensitivity) of problem(s)
- Business importance (value/criticality) of application(s)
- Interdependencies, synergies, and conflicts with other applications and projects

Consider

- Business strategies and plans
  - Missions, goals, and objectives of agency and governmental program(s)
  - Political initiatives
  - Amount and rate of change
- Business related opportunities
  - Reengineering of process
  - Improvement / innovations in citizen services
  - Information access, integrity, quality, and exchangeability
  - Elimination or consolidation of functions / business processes
- Technical related opportunities
  - Shared infrastructure and services
  - Move to agency and statewide architectures
  - Standardize and consolidate infrastructure
  - Use new technologies
- Operations Management Opportunities
  - Improve service levels (SLAs)
  - Support DR/BCP; Pandemic
  - Improve manageability
  - Improve security, privacy, and confidentiality
  - Enhance staffing availability
- Costs
  - Excessive or inappropriate allocation among applications
  - Out of line with value received or industry norm
- Risks
  - Vulnerabilities and impacts of problems or failures

Evaluate

- Nature, type, urgency, and pervasiveness of problems and opportunities
- Interrelations of business processes and interdependencies of applications
- Potential for elimination / consolidation or replacement with COTS or GOTS
- Technical direction
- Use of tools/contractors

Determine Whether To

- Continue O&M - No change
- Decommission and eliminate / consolidate
- Replace (rewrite or COTS/GOTS) and retire
- Functionally enhance
- Technically modernize

Major Activities

Identify

- Dependencies on other applications and projects
- Costs/fiscal requirements
- Personnel resource requirements
- Technical infrastructure requirements
- Benefits/value to accrue

Consider

- Risks to be avoided/mitigated
- Strategic value
- Criticality to operations
- Savings generated
- Other benefits/value offered
- Costs and funding availabilities
- Retirement plan / shut down process

Document

- Opportunity or problem definition
- Recommended solution and alternatives
- Benefit estimates and assumptions
- Cost estimates and assumptions
- Risk factors and mitigation
- Financial and public value analyses
- Implementation approach and timetable

Potential Benefits (Application and Portfolio)

- General
  - Business process changes and realization of operational efficiencies
  - Cost reductions and / or cost avoidance
  - Improved citizen services / user satisfaction
  - Statutory / regulatory compliance
  - Improved security, privacy, and confidentiality
  - Risk mitigation or reduction in risk exposure
  - Better business decisions and / or policy formulations
  - Enable / support governmental priorities or initiatives
  - Maximize value and minimize costs and risk
- Other
  - Remove deviant from agency/state technical architecture - reduce complexity
  - Create funds for new projects/investments from savings
  - Transition to agency / state technical architectures
  - Improved IT service levels (SLAs)
  - Improved data accessibility, usefulness, and quality / integrity
  - Easier adaptability and scalability
  - More reliable, available, and economical vendor or agency support

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